

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
CASE NO. 09-60331-CR-COHN

UNITED STATES OF AMERICA,

v.

SCOTT W. ROTHSTEIN,

Defendant.

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**FIRST FINAL ORDER OF FORFEITURE**

**THIS CAUSE** is before the Court on the United States' Motion for First Final Order of Forfeiture [DE 700] ("Motion"). The Court has considered the Motion and is otherwise advised in the premises.

1. On April 19, 2010, this Court entered a Preliminary Order of Forfeiture and Judgment wherein it forfeited the interest of Scott W. Rothstein (hereinafter "Defendant" or "Rothstein") in the property identified on Exhibit A attached therein to the United States (hereinafter the "preliminarily forfeited property") and entered a money judgment against Defendant in the amount of \$1.2 billion. See DE 134.

2. In accordance with 21 U.S.C. § 853(n) and 18 U.S.C. § 1963(l),<sup>1</sup> notice of forfeiture was published on May 5, 2010. Proof of Publication was filed with the Clerk of the Court on June 6, 2010. DE 275.

3. Also in accordance with 21 U.S.C. § 853(n), direct written notice of forfeiture was provided to all persons and entities known to have an alleged interest in the preliminarily forfeited property.

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<sup>1</sup> The forfeiture provisions of 18 U.S.C. § 1963(l) parallel the provisions of 21 U.S.C. § 853(n) and are applicable to the RICO forfeiture ordered, in part, by the Court in this case. For ease of reference, only the provisions of 21 U.S.C. § 853(n) are addressed herein.

**Verified Petitions**

4. Verified petitions were filed by a number of Petitioners against some or all of the preliminarily forfeited property. A list of the verified petitions is attached as Exhibit A to the United States' Motion and is incorporated herein. See DE 700-1.

5. The verified petitions fall into three categories:

- a. verified petitions wherein a petitioner's interest was recognized in whole or in part by the United States;
- b. verified petitions that were withdrawn or dismissed in whole or in part; and
- c. verified petitions that were granted in whole or in part.<sup>2</sup>

**Stipulation and Settlement Agreements Resulting in the Dismissal of Assets**

6. On July 27, 2010, the Court entered an Order Approving Stipulation and Settlement Agreements Between the United States and Certain Third Party Petitioners and For Leave to Dismiss Certain Assets From the Preliminary Order of Forfeiture. DE 457. Pursuant to the Order, the following preliminarily forfeited properties were dismissed from the Preliminary Order of Forfeiture:

- a. real properties identified as RP1, RP2, RP3, and RP9 at DE 134, pp. 5,6 [DE 457];

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<sup>2</sup> The Court hereby recognizes the interest of Branch Banking & Trust Company, Sea Club Ocean Resort Hotel, Inc., Renato Watches, Inc. and MAF Family, LLC as set forth in their respective Verified Petitions [DE's 188, 223, 224, 265]. Further, the Court recognizes the interest of Domenick Tonacchio, Barry Lipsitz, D&D Management & Investment LLC, and D&D Management & Investment LLC.

- b. one vehicle identified as VV11 at DE 134, p. 10 [DE 457];
- c. American Express Reward Points identified as M2 at DE 134, pp. 22, 23 [DE 457];
- d. eight watches comprising part of the jewelry identified as T1 at DE 134, p. 11 [DE 457]; and
- e. equity interest in Rothstein Family Ltd. identified as B125(ab) at DE 134, p.21 [DE 457].

In addition, the Court entered Orders approving Stipulation and Settlement Agreements between the United States and the following third party petitioners: Kimberly A. Rothstein [DE 552], VRLP1, LLC [DE 630], Wachovia Bank [DE 618], and Regions Bank [DE 597], which resulted in the dismissal of certain assets from the Preliminary Order of Forfeiture. Pursuant to the Orders, the following preliminarily forfeited properties were dismissed from the Preliminary Order of Forfeiture:

- f. six items of jewelry comprising part of the jewelry identified as T1 at DE 134, p. 11 [DE 552, Ex. A];
- g. real property identified as RP5 at DE 134, pp. 5,6 [DE 630];
- h. real property identified as RP14 at DE 134, p. 8 [DE 618]; and
- i. the sum of \$2,195,051.00, identified as part of BA18 at DE 134. pp. 13,14 [DE 597].

#### **Real Properties**

7. After publication and direct written notice was provided, a number of verified petitions and/or claims were filed against some or all of the real properties identified for forfeiture in the Preliminary Order of Forfeiture. As all claims have been

8. **30 Isla Bahia Drive, Fort Lauderdale, Florida 33316 ("RP04")**

- a. RP04 is titled in the name of Scott Rothstein and Kimberly Rothstein.
- b. A copy of the Preliminary Order of Forfeiture was sent via Certified

Mail, Return Receipt Requested, to the following persons and entities:

- i. Marc Nurik, Esq.,  
counsel for Scott Rothstein;  
Law Office of Marc S. Nurik  
1 E. Broward Blvd., Suite 700  
Fort Lauderdale, Florida 33301;

- ii. Frank A. Rubino, Esq.,  
counsel for Kimberly Rothstein;  
Law Office of Frank A. Rubino, Esq., P.A.  
1001 Brickell Bay Drive, Suite 2206  
Miami, FL 33131;

- iii. Robert W. Stickney, P.A.,  
counsel for Debra Villegas;  
Post Office Box 2448  
Fort Lauderdale, Florida 33303;

- iv. Gatemasters;  
1601 NW 15 Avenue  
Fort Lauderdale, FL 33309;

- v. St. Moritz Security Services, Inc.;  
c/o Lori Weaver  
4616 Clairton Blvd.  
Pittsburgh, PA 15236;

- vi. Live Wire Electric, Inc.;  
Joseph Toms, President  
4024 NE 5 Avenue  
Fort Lauderdale, FL 33334; and

- vii Michael Wall Plumbing Services. Inc.:

adjudicate the validity of their alleged interest in the property has expired. Thus, the above-referenced entities' and persons' interest in RP04 is extinguished.

d. In addition, a copy of the Preliminary Order of Forfeiture was sent to Rodney T. Sarkela (mortgage holder). Rodney T. Sarkela filed a Notice of Claim and Verified Petition on June 4, 2010. DE 271. The United States acknowledges and agrees to pay Rodney T. Sarkela the outstanding principal due in the amount of \$4,380,751.23 plus interest at the rate of 7% per annum from October 1, 2009, until paid; late fees in the amount of \$1,480.30 per month from October 1, 2009, until paid; and \$28,171.30 for insurance advances. DE 700 at 5.

e. Finally, the United States acknowledges and agrees to pay the Broward County Tax Collector all outstanding ad valorem taxes, assessments, and liens, if any, accrued up to the date of the entry of the final order of forfeiture, together with any interest accrued thereon. Id.

9. **350 SE 2<sup>nd</sup> Street, #2840, Fort Lauderdale, Florida ("RP06")**

a. RP06 is titled in the name of 350 LOP 2840 LLC, a Delaware limited liability company.

b. 350 LOP 2840 LLC was served with a copy of the Preliminary Order of Forfeiture by hand delivery to the Delaware Secretary of State.

c. The above-referenced entity did not petition the Court for a hearing to adjudicate the validity of its alleged interest in the property as required by 21 U.S.C.

350 Las Olas Place Condominium Association. 350 Las Olas Place Condominium Association filed a Notice of Claim and Verified Petition on May 28, 2010. DE 221. The United States acknowledged and agreed to pay 350 Las Olas Place Condominium Association as set forth in the Stipulation and Settlement Agreement entered into between the United States and 350 Las Olas Place Condominium Association [DE 665], and as approved by the Court [DE 669].

e. Finally, the United States acknowledges and agrees to pay the Broward County Tax Collector all outstanding ad valorem taxes, assessments, and liens, if any, accrued up to the date of the entry of the final order of forfeiture, together with any interest accrued thereon. DE 700 at 6.

10. **380 Carrington Drive, Weston, Florida 33326 ("RP07")**

- a. RP07 is titled in the name of Debra Villegas.
- b. A copy of the Preliminary Order of Forfeiture was sent via Certified

Mail, Return Receipt Requested, to the following person and entity:

i. Robert W. Stickney, P.A.,  
counsel for Debra Villegas;  
Post Office Box 2448  
Fort Lauderdale, Florida 33303; and

ii. DJ Capital Club, LLC;  
William R. Scherer, Jr.  
Conrad & Scherer, LLP  
P.O. Box 14723  
Fort Lauderdale, FL 33302.

c. The above-referenced person and entity did not petition the Court for a

d. Moreover, Debra Villegas consented to the forfeiture of her right, title and interest in RP07 in *United States v. Debra Villegas*, Case No. 10-60126-Cr-WJZ [DE 23-1, Case No. 10-60126-Cr-WJZ]. With the approval of the Department of Justice, and, in accordance with the Final Order of Forfeiture entered in the *Villegas* case, the net proceeds from the sale of RP07 will be processed under and for the benefit of the victims in the instant case, who are the same victims as in the *Villegas* case. DE 42, Case No. 10-60126-Cr-WJZ.

e. In addition, a copy of the Preliminary Order of Forfeiture was sent to D3 Capital Club, LLC. D3 Capital Club, LLC filed a Notice of Claim and Verified Petition on June 1, 2010. DE 231. The Court dismissed the Petition of D3 Capital Club, LLC on July 26, 2010. DE 452.

f. Finally, the United States acknowledges and agrees to pay the Broward County Tax Collector all outstanding ad valorem taxes, assessments, and liens, if any, accrued up to the date of the entry of the final order of forfeiture, together with any interest accrued thereon. DE 700 at 7.

11. **2133 Imperial Point Drive, Fort Lauderdale, Florida 33308 ("RP08")**

a. RP08 is titled in the name of 2133 IP LLC, a Delaware limited liability company.

b. 2133 IP LLC was served with a copy of the Preliminary Order of Forfeiture by hand delivery to the Delaware Secretary of State.